

CONNECTICUT ASSOCIATION OF

REALTORS® INC.

Statement On

H.B. 6544: An Act Concerning Energy Efficiency

OPPOSE

Submitted To the Energy and Technology Committee March 8, 2011

by Michael Casey

Legislative Committee Chairman

Honorable chairs, members of the Committee, my name is Michael Casey and I'm a Realtor with Coldwell Banker Premier Real Estate based in Berlin. I also Chair the Legislative Committee of the Connecticut Association of Realtors.

While our Association strongly supports providing buyers, tenants and owners of real estate with the tools and resources they need to save energy, portions of House Bill 6544 are excessive in their reach and questionable as to their efficacy in achieving the desired energy efficiency results. We respectfully ask that the bill not be reported in its current form.

Section 1 establishes a "property labeling and disclosure" program for virtually every residential and commercial building in the State, tied in a curious fashion to when it's sold. I say curious because 1(a) says the rating must be given "before the sale" but 1(b) speaks to the energy "evaluation' being done "not less than five years before the sale." (Presumably even ratings more than five years out-of-date would be acceptable).

What the owner must pay for the mandatory evaluation or audit is not mentioned in the bill, but several hundred dollars, depending on size and complexity of the structure, is not unlikely. At a time when savings and property values have dropped, many families and commercial property owners won't have the financial resources for the <u>next</u> step - - making improvements like replacing aging heating and cooling systems, appliances, or windows. We have serious concerns that the (continued)



label could therefore stigmatize older and historic properties and further reduce property values. Also, as a practical matter, only a small number of properties change hands any year so that linking the label disclosure to that event won't accomplish a lot.

If a buyer of real estate wishes to have an energy audit performed, they are already free to do so, but the government should not be mandating this.

Similarly, Section 2 of House Bill 6544, imposing on landlords a duty to provide a history of prior heating expenses every time a unit is rented strikes us as excessive and unnecessary. One family's life style and heating demands can vary significantly from another's in the same unit, and besides, there's nothing to prevent tenants from undertaking reasonable due diligence investigations of their own before signing a rental agreement.

Finally, Section 5 of the bill undermines much of the good work already being accomplished through the expertise of the Codes and Standards Committee that meets regularly to update the State Building Code. The Code already fosters energy-efficient, environmentally sustainable practices in building construction and renovation thanks to legislation already enacted. This bill authorizes each of our 169 municipalities to circumvent that Code.

In conclusion, the Connecticut Association of Realtors favors energy conservation measures undertaken in a voluntary manner that don't increase the cost of housing or property ownership. We are educating our members and consumers about the benefits of green features and a reduced carbon footprint, as are other professionals. Please do not approve this bill as written.

Thank you. Are there any questions?

